## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of Federal-State Joint Board on Universal Service

Petition of the Mississippi Public Service Commission for Agreement with Redefinition of Service Areas of Certain Rural ILECs in the State of Mississippi CC Docket No. 96-45

## REPLY COMMENTS OF CENTENNIAL CELLULAR TRI-STATE OPERATING PARTNERSHIP AND CENTENNIAL CLAIBORNE CELLULAR CORP.

Centennial Cellular Tri-State Operating Partnership and Centennial Claiborne Cellular Corp. ("Centennial") submit these comments in support of the request of the Mississippi Public Service Commission ("MPSC") to redefine the service area of Franklin Telephone Company, Inc. ("Franklin") for purposes of defining the area in which Centennial will be designated an eligible telecommunications carrier ("ETC"), as well as determining its universal service fund ("USF") obligations and support. Centennial also clarifies some points made in Franklin's initial comments.

As explained in the MPSC petition, Centennial has been granted ETC status in certain areas of Mississippi, including areas served by Franklin.<sup>3</sup> The MPSC found that

<sup>&</sup>lt;sup>1</sup> In Re Federal-State Joint Board on Universal Service, Petition of the Mississippi Public Service Commission for Agreement with Redefinition of Service Areas of Certain Rural ILECs in the State of Mississippi, Inc., Petition of the Mississippi Public Service Commission for Concurrence to Redefine the Service Area of Franklin Telephone Company, Inc., CC Docket No. 96-45 (filed May 20, 2005) (hereinafter "MPSC petition").

<sup>&</sup>lt;sup>2</sup> In Re Federal-State Joint Board on Universal Service, Petition of the Mississippi Public Service Commission for Agreement with Redefinition of Service Areas of Certain Rural ILECs in the State of Mississippi, Inc., Comments of Franklin Telephone Company, Inc., CC Docket No. 96-45 (filed July 6, 2005) (hereinafter "Franklin comments").

<sup>&</sup>lt;sup>3</sup> In Re Application of Centennial Cellular Tri-State Operating Partnership and Centennial Claiborne Cellular Corp. for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(6) of the Telecommunications Act of 1937, Docket 2003-UA-0234, Order (Miss. PSC Aug. 10, 2004) (hereinafter "MPSC August 10, 2004 Order").

designating Centennial an ETC is in the public interest due, in part, to the unique advantages that Centennial's commercial mobile radio service ("CMRS") would bring to the consumers of rural Mississippi.<sup>4</sup>

Centennial's ETC designation in the Franklin area, however, has been conditioned on the redefinition of Franklin's study area.<sup>5</sup> Redefinition is necessary because Franklin's study area is not co-extensive with Centennial's CMRS license area, and thus, Centennial is not legally permitted to serve the entirety of Franklin's study area. Yet by default, the service area of a competitive ETC (such as Centennial) operating in the area of a rural incumbent local exchange carrier ("ILEC") (such as Franklin) is the rural ILEC's study area unless and until that study area is redefined. An ETC's service area is used to determine the area in which the ETC is eligible to receive USF support. When a rural ILEC's study area is redefined, the competitive ETC's service area is also so redefined.<sup>6</sup>

Thus, the MPSC has requested a redefinition of Franklin's study area (and therefore, Centennial's service area) for the limited purpose of permitting Centennial to be designated an ETC and receive USF high cost support only in those portions of Franklin's area where it is licensed by this Commission to operate as a CMRS carrier. Specifically, the MPSC has proposed to redefine Franklin's area into two areas: one encompassing the wire centers covered by Centennial's license area, and a second encompassing the rest of Franklin's wire centers. The MPSC's petition demonstrates why, pursuant to section 54.207 of the Commission's rules, its proposed redefinition complies with the recommendations of the Joint Board, including a demonstration that

<sup>7</sup> MPSC petition at 5.

<sup>&</sup>lt;sup>4</sup> Id. at ¶¶ 27-31, 37.

<sup>&</sup>lt;sup>3</sup> *Id*. at 12.

<sup>&</sup>lt;sup>6</sup> 47 U.S.C. § 214(e)(5); In Re Federal-State Joint Board on Universal Service, Report and Order, 20 FCC Rcd 6371 (FCC rel. Mar. 17, 2005) at ¶ 73.

there is no real potential for creamskimming in the newly-defined area, and that no rural ILEC will face undue administrative burdens as a result of the redefinition. In sum, the redefinition of the Franklin study area would serve the public interest by bringing increased competition and a newly supported service, CMRS service, to Mississippi consumers.

Franklin does not oppose the MPSC's petition and asks the Commission to confirm several things which, although they are non-controversial, Centennial would like to clarify. First, Franklin would like the Commission to confirm that its study area will be redefined solely for the purpose of defining the geographic area in which Centennial will be designated an ETC in the state of Mississippi.<sup>9</sup> The MPSC's petition specifically states several times in the petition that this indeed is its sole purpose for petitioning the Commission, and that redefining the study area will "allow Centennial to serve only those areas for which it is licensed."10 Franklin would like the Commission to confirm the narrow purpose of the redefinition so that its "obligations" will not be affected, citing language in the petition in which the MPSC states that the redefinition will not affect the way Franklin calculates its "costs." By "costs" and "obligations," Centennial assumes that the MPSC and Franklin refer to the fact that Franklin's study area is used in calculating its costs for purposes of determining its own USF high-cost support. Because the MPSC petition asks to redefine Franklin's study area only to the extent that it relates to the definition of Centennial's USF service area, the redefinition should have no effect

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<sup>&</sup>lt;sup>8</sup> MPSC petition at 6-8.

<sup>&</sup>lt;sup>9</sup> Franklin comments at 2.

<sup>&</sup>lt;sup>10</sup> MPSC petition at 8, 2.

Franklin comments at 2 & n.3 (quoting MPSC petition at 8).

on the way in which Franklin calculates its costs for purposes of determining its own high-cost support.

Franklin also requests that the Commission confirm that the MPSC has jurisdiction over Centennial to the extent that Centennial acts as an ETC in Mississippi, and that Centennial is bound by certain conditions set forth in the MPSC's order granting ETC status.<sup>12</sup> Of course, the MPSC is specifically prohibited from otherwise regulating the entry of or the rates charged by CMRS carriers like Centennial, but may regulate its activities as an ETC in Mississippi to the extent that its regulation is not inconsistent with the Commission's rules.<sup>13</sup> Pursuant to its authority to regulate the USF-related activities of Centennial, the MPSC imposed certain requirements on Centennial as a condition of its ETC designation.<sup>14</sup> Centennial subsequently filed a letter with the MPSC specifically agreeing to comply with those requirements.<sup>15</sup> Thus, there is no question that the Centennial will comply with all lawful MPSC requirements related to Centennial's ETC activities, including the conditions set forth in the MPSC order.

<sup>12</sup> Franklin comments at 3-4.

<sup>&</sup>lt;sup>13</sup> 47 U.S.C. §§ 332(c)(3), 254(f).

<sup>&</sup>lt;sup>14</sup> MPSC August 10, 2004 Order at 12.

<sup>&</sup>lt;sup>15</sup> Letter from Bruce McKinley to Secretary Brian U. Ray, Mississippi Public Service Commission (filed Nov. 5, 2004).

Centennial respectfully requests that the Commission grant the MPSC's redefinition petition.

Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I, Debra Sloan, do hereby certify that a copy of the foregoing *Reply Comments of Centennial Cellular Tri-State Operating Partnership and Centennial Claiborne Cellular Corp.* was sent via hand delivery(\*),or U.S. Mail to the following individuals on July 21, 2005:

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